

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

June 07, 2011

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

36 June 7, 2011

SACHI A. HAMAI EXECUTIVE OFFICER

LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU AGREEMENT WITH NEAL MORITZ TRUST OF 2000 (SUPERVISORIAL DISTRICT 3) (3 VOTES)

SUBJECT

This action is to approve and direct the Mayor to execute the agreement authorizing the Los Angeles County Waterworks District No. 29, Malibu, to accept funding in the amount of \$52,740 from Neal Moritz Trust of 2000 for their financial share of the cost for the design and construction of future water storage reservoir and appurtenances; and to authorize the Director of Public Works or her designee to negotiate and execute similar financial participation agreements with future benefiting developers and property owners.

IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU:

- 1. Find that the agreement is exempt from the California Environmental Quality Act for the reasons stated in this letter and in the record of the project.
- 2. Approve and direct the Mayor to execute the agreement between Neal Moritz Trust of 2000 and Los Angeles County Waterworks District No. 29, Malibu.
- 3. Authorize the Director of Public Works or her designee to negotiate and execute similar financial participation agreements with future benefiting developers and property owners and find that these agreements are also exempt from the California Environmental Quality Act.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

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The purpose of the recommended actions is to approve and authorize the execution of the enclosed agreement and delegate authority to the Director of Public Works or her designee to negotiate and execute similar future agreements for financial participation in future water infrastructure improvements and to find that these agreements are exempt from the California Environmental Quality Act (CEQA). Two similar agreements were executed by your Board to finance the proposed improvements.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). This agreement will provide a portion of the funds needed to design and construct water system facilities that will improve the Los Angeles County Waterworks District No. 29, Malibu (District 29), water supply reliability for domestic and fire protection purposes.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

This agreement provides \$52,740 in funding to District 29 Accumulative Capital Outlay Fund (N33) for the design and construction of future water system facilities that includes construction of an 800,000-gallon reservoir, two regulating stations, and approximately 5,000 feet of water mains; and the upgrade of an existing pump station (future water facilities) at an estimated cost of \$5 million. Currently, District 29 has received \$155,325 from the Malibu Lumber Yard LLC, a bond for \$388,438 from Eucalyptus Ranch LP, Hacienda Robles LP, Canary Island Palm LP, and Pepper Creek LP, and a written commitment for \$834,625 from the Malibu La Paz LLC within the Civic Center area. District 29's financial participation is estimated to be \$1,600,000. The remaining \$1,968,872 is anticipated to be funded by future participants. District 29 will only proceed with the construction of the future water system facilities if sufficient funds are collected from new participants who would benefit from the facilities. In the event that sufficient funds are not collected, making the project infeasible, District 29 will refund the collected amounts, less any project expenses incurred as of the date of the refund, and instead charge the participants the applicable District 29 connection fees per the Rules and Regulations of the Los Angeles County Waterworks Districts. District 29 will not be obligated to pay interest on any refunds under this agreement.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The agreement has been reviewed and approved as to form by County Counsel.

As a condition for obtaining water service to their project, Neal Moritz Trust of 2000 agreed to financially participate in the cost for the design and construction of the future water facilities. The future water facilities are needed to provide local water storage primarily to assist in meeting fire-flow standards and to improve the reliability of the current domestic service.

Delegating to the Director of Public Works or her designee the authority to negotiate and execute future agreements will allow for an expedited financial participation process. The future agreement will be in the form previously reviewed and approved as to form by County Counsel.

The Los Angeles County Waterworks District is currently working with six other benefiting

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development projects with similar financial participation agreements for the design and construction of the future water facilities.

ENVIRONMENTAL DOCUMENTATION

The proposed agreement is statutorily exempt from CEQA. The requirement for the Neal Moritz Trust of 2000 and future agreements to contribute toward the funding of the future water facilities as a condition of a new water service is statutorily exempt from the CEQA under Section 21080(8)(D) of the California Public Resource Code and Section 15273(a)(4) of the CEQA Guidelines given that this action is for the purpose of obtaining funds for a capital project that is necessary to maintain water service within existing service areas. If sufficient funding is obtained, the Department of Public Works will comply with the appropriate requirements of CEQA for the future water facilities and return to your Board for appropriate action.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects as a result of this action.

CONCLUSION

Upon approval, please return two adopted copies of this letter and agreement to the Department of Public Works, Waterworks Division.

Respectfully submitted,

GAIL FARBER

Director

GF:AA:dvt

Enclosures

c: Chief Executive Office (Rita Robinson)

Hail Farlier

County Counsel Executive Office RECORDING REQUESTED BY
LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 29
WHEN RECORDED MAIL TO
Los Angeles County Waterworks District
900 South Fremont Avenue
Alhambra, California 91803-1331

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE GOVERNMENT CODE.

Space above this line for Recorder's use

<u>AGREEMENT</u>

This agreement (hereinafter referred to as "AGREEMENT"), is made and entered into by and between NEAL MORITZ TRUST (hereinafter referred to as "OWNER") and LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU (hereinafter referred to as "DISTRICT 29") (the OWNER, and DISTRICT 29, hereinafter referred to each as "PARTY" and, collectively, as "PARTIES") on 2-1, 2011.

WITNESSETH

WHEREAS, OWNER is the owner of real property situated in the City of Malibu, State of California, described as Assessor Parcel No. 4458-004-031 and more particularly described in Exhibits A and B respectively attached hereto, (hereinafter referred to as "PROPERTY"); and

WHEREAS, the PROPERTY is situated entirely within the boundaries of DISTRICT 29; and

WHEREAS, OWNER is requesting that DISTRICT 29 provide water service to the PROPERTY in furtherance of OWNER's application with the City of Malibu (hereinafter referred to as "CITY") and for the CITY to allow construction of a single family residence on the PROPERTY; and

WHEREAS, the PROPERTY is located near an existing water main currently owned and operated by DISTRICT 29, and is situated in an area that

lacks sufficient infrastructure, and other such necessary facilities such as storage tanks, pumps and piping, for DISTRICT 29 to provide the customary level of water service for fire fighting purposes and/or domestic use for the PROPERTY; and

WHEREAS, as a condition to obtain water service, under the rules and regulations of DISTRICT 29 (hereinafter referred to as "RULES AND REGS"), the OWNER must participate financially in the design and construction of approximately 5,000 feet of 12-inch water main, pump station upgrades, a regulating station, and an approximately 800,000-gallon water storage tank (hereinafter referred to as "INFRASTRUCTURE"); and

WHEREAS, as a further condition to obtain water service under the RULES AND REGS, OWNER must also construct PROPERTY SPECIFIC IMPROVEMENTS as defined herein.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by OWNER and DISTRICT 29 and of the premises herein contained, it is hereby agreed as follows:

- OWNER AGREES as a condition for the PROPERTY to be provided water service from DISTRICT 29:
 - To design and construct all necessary fronting water mains and a. appurtenances to serve the PROPERTY, as may be required by DISTRICT 29 under the RULES AND REGS strictly in accordance with plans and specifications pre-approved in writing by DISTRICT 29 and all standards of DISTRICT 29 (hereinafter referred to as "PROPERTY SPECIFIC IMPROVEMENTS") and to dedicate for transfer to DISTRICT 29, at no charge, all PROPERTY SPECIFIC IMPROVEMENTS immediately upon said improvements being deemed complete by DISTRICT 29. DISTRICT 29 shall have no obligation to accept the PROPERTY SPECIFIC IMPROVEMENTS, which acceptance is at DISTRICT 29's sole and absolute discretion. OWNER shall remain fully responsible for each PROPERTY SPECIFIC IMPROVEMENTS, including, without limitation, for its operation and maintenance until said date when DISTRICT 29 formally accepts ("ACCEPTANCE") the PROPERTY SPECIFIC IMPROVEMENT.
 - b. To pay to DISTRICT any and all charges for water service as may be required under the RULES AND REGS including but not limited to the Capital Improvement Charges, any and all inspection fees, plan check fees, right-of-way document review fees, and other water system engineering charges.

- Prior to issuance of a conditional will-serve letter, to participate C. construction the design and financially towards INFRASTRUCTURE to meet minimum fire flow requirements as set forth in the Los Angeles County Fire Code and Regulations. The DISTRICT has determined the OWNER's pro-rata share of the INFRASTRUCTURE, to be \$52,740 ("OWNER'S SHARE"). The OWNER must request the issuance of a conditional will serve letter in writing and DISTRICT will have 30 days from receipt of the OWNER's written request to prepare an invoice for OWNER'S SHARE.
- Notwithstanding and in addition to the warranty in favor of d. DISTRICT 29 in Section 6, below, to fully release and indemnify, defend and hold harmless DISTRICT 29, the County of Los Angeles, its special districts, the Los Angeles County Board of Supervisors, its board members, officers, employees, and staff from any and all claims, expenses and liability, including, without limitation, defense costs and legal fees, and including claims by the OWNER and successors in interest of the PROPERTY, relating to the PROPERTY SPECIFIC IMPROVEMENTS until ACCEPTANCE by DISTRICT 29 pursuant to Section 1a., above. OWNER grants the foregoing release with full acknowledgment of and waiving OWNER'S rights under California Civil Code Section 1542, which states: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."
- OWNER acknowledges that approval of an on-site water tank by the Los Angeles County Fire Department for firefighting does not in any way relieve OWNER of its responsibilities under this AGREEMENT or with respect to the funding or completion of the PROPERTY SPECIFIC IMPROVEMENTS, the INFRASTRUCTURE, or to comply with all RULES AND REGS.
- 3. If OWNER has failed to fulfill all of the conditions in Section 1 of this AGREEMENT within five (5) calendar years from the date of this AGREEMENT, this AGREEMENT is terminated, in which instance OWNER will fully release DISTRICT 29 from any and all liability relating to termination. DISTRICT 29 may extend the term of this AGREEMENT for an additional five (5) calendar years at its sole discretion.

DISTRICT 29 AGREES:

- a. Upon OWNER's compliance with all conditions in Section 1 of this AGREEMENT, to provide a conditional will-serve letter to the proposed development in the form attached hereto as Exhibit C.
- To apply the OWNER'S SHARE to the costs of designing and installing the INFRASTRUCTURE.

5. IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

- a. Each person affixing his or her signature below represents and warrants: (i) that he or she has read and understood this AGREEMENT, has had opportunity to seek legal counsel, and has the full legal authority to bind his or her respective PARTY to all of the terms, conditions, and provisions of this AGREEMENT; and (ii) that his or her respective PARTY has the full legal right, power, capacity, and authority to enter into this AGREEMENT and perform all of the obligations herein.
- b. Notwithstanding any provision in this AGREEMENT, OWNER shall at all times observe all RULES AND REGS of DISTRICT 29, as these may be updated or amended by the Los Angeles County Board of Supervisors or its authorized designee.
- c. Notwithstanding any other provision in this AGREEMENT, under no circumstances shall DISTRICT 29 be obligated to pay interest under this AGREEMENT, including, without limitation, for any monies that may be deposited or over-paid by OWNER or refunded by WATERWORKS 29 under this AGREEMENT.
- d. The PARTIES acknowledge that DISTRICT 29 is an entity independent from and legally separate from the County of Los Angeles (County). Nothing in this AGREEMENT is intended to bind the County or to release OWNER from any permitting or regulatory requirements of the Los Angeles County Code or the County, including, without limitation, requirements set by the Los Angeles County Regional Planning Commission, Los Angeles County Fire Department, Los Angeles County Department of Public Health, or the Los Angeles County Superintendent of Building and Safety, which requirements, if any, may only be deemed satisfied or waived by County officials representing said County departments, acting in their respective official capacities, not by DISTRICT 29 or its representatives.

- e. In addition to all other remedies of DISTRICT 29 in law, equity, or under this AGREEMENT for OWNER's breach, DISTRICT 29 shall have the option to terminate this AGREEMENT and/or water service to OWNER and the PROPERTY.
- f. DISTRICT 29 makes no implied promises under this AGREEMENT, including relating to the time-frame for installation of future INFRASTRUCTURE. The sole remedy of OWNER under this AGREEMENT, including if sufficient funds are not collected, making INFRASTRUCTURE infeasible to construct, is for DISTRICT 29 to refund the OWNER'S SHARE actually paid less the pro-rata share of OWNER's project expenses incurred as of the date of the refund. OWNER will remain obligated for applicable connection fees according to the RULES AND REGS applicable at the time water service is commenced to PROPERTY.

WARRANTY

For a period of one (1)-calendar year following ACCEPTANCE, OWNER will guarantee and warrant construction, labor and materials for the PROPERTY SPECIFIC IMPROVEMENTS in favor of DISTRICT 29, and in addition, OWNER will take all necessary steps to require all contractors performing work to construct the PROPERTY SPECIFIC IMPROVEMENTS to provide a similar 1-year warranty naming DISTRICT 29 as a third-party beneficiary, and to provide DISTRICT 29 the option to exercise OWNER's rights under said contracts.

ADDITIONAL PROVISIONS

- a. <u>Captions</u>. The captions and the section and subsection numbers appearing in this AGREEMENT are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections of this AGREEMENT nor in any way affect this AGREEMENT.
- b. <u>Severability</u>. In the event any portion of this AGREEMENT shall be declared by any court of competent jurisdiction to be invalid, illegal, or unenforceable, such portion shall be severed from the AGREEMENT, and the remaining parts hereof shall remain in full force and effect as fully as though such invalid, illegal, or unenforceable portion had never been part of the AGREEMENT, provided the remaining AGREEMENT can be reasonably and equitably enforced.

- c. Governing Law and Forum. This AGREEMENT shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this AGREEMENT shall be conducted in the courts of the County of Los Angeles, State of California.
- d. <u>Waivers</u>. No waiver by District 29, or the OWNER of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision.
- e. No Presumption Re: Drafter. The OWNER acknowledges and agrees that the terms and provisions of this AGREEMENT have been negotiated and discussed between DISTRICT 29, and OWNER, and their attorneys, and this AGREEMENT reflects their mutual AGREEMENT regarding the same. Neither PARTY shall be deemed the drafter of this AGREEMENT, and therefore, no presumption for or against validity or as to any interpretation hereof, based upon the identity of the drafter shall be applicable in interpreting or enforcing this AGREEMENT.
- f. <u>Assistance of Counsel</u>. OWNER either employed the assistance of legal counsel or had counsel available to him, in the negotiation for, and the execution of, this AGREEMENT, and all related documents.
- g. <u>Survival of AGREEMENT</u>. The agreements, representations, and warranties made herein are intended to survive the recordation and termination of this AGREEMENT.
- h. <u>Interpretation</u>. Unless the context of this AGREEMENT clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine, and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.
- i. <u>Conflicts</u>. In the event of a conflict between the provisions of this AGREEMENT and the provisions of any other documents executed or agreements made or purported to be executed or made between the PARTIES prior to the date on which this AGREEMENT is fully executed, the provisions contained in this AGREEMENT shall in all instances govern and prevail.
- j. <u>Entire AGREEMENT</u>. This AGREEMENT contains the entire agreement and understanding between the parties relating to the

- subject matter herein, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by OWNER, and DISTRICT 29.
- k. <u>Successors and Assigns</u>. This AGREEMENT shall be binding upon the heirs, executors, and assigns of the PARTIES; and shall be recorded as notice with the hereinabove described PROPERTY. This notice shall be binding on all parties having or acquiring any right, title, or interest in the PROPERTY or any part thereof.
- No Third Party Beneficiary. This AGREEMENT is solely for the benefit of the named PARTIES with no intended third party beneficiaries.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed by their respective officers, duly authorized by NEAL MORITZ TRUST on 2 19 , 2011, and by the LOS ANGELES , 2011, and by the LOS ANGELES COUNTY WATERWORKS DISTRICT 29, MALIBU, on June -2011.

LOS ANGELES COUNTY WATERWORKS DISTRICT

NO-29, MALIBU

ATTEST:

SACHI A. HAMAI Executive Officer of the Board of Supervisors of the County of Los Angeles Mayor, Board of Supervisors of the County of Los Angeles as governing body thereof

Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN County Counsel

Deputy

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHIA, HAMAI Executive Officer

Clerk of the Board of Supervisors

Deputy

OWNER

NEAL MORITZ

OF 2000

APPROVED AS TO FORM:

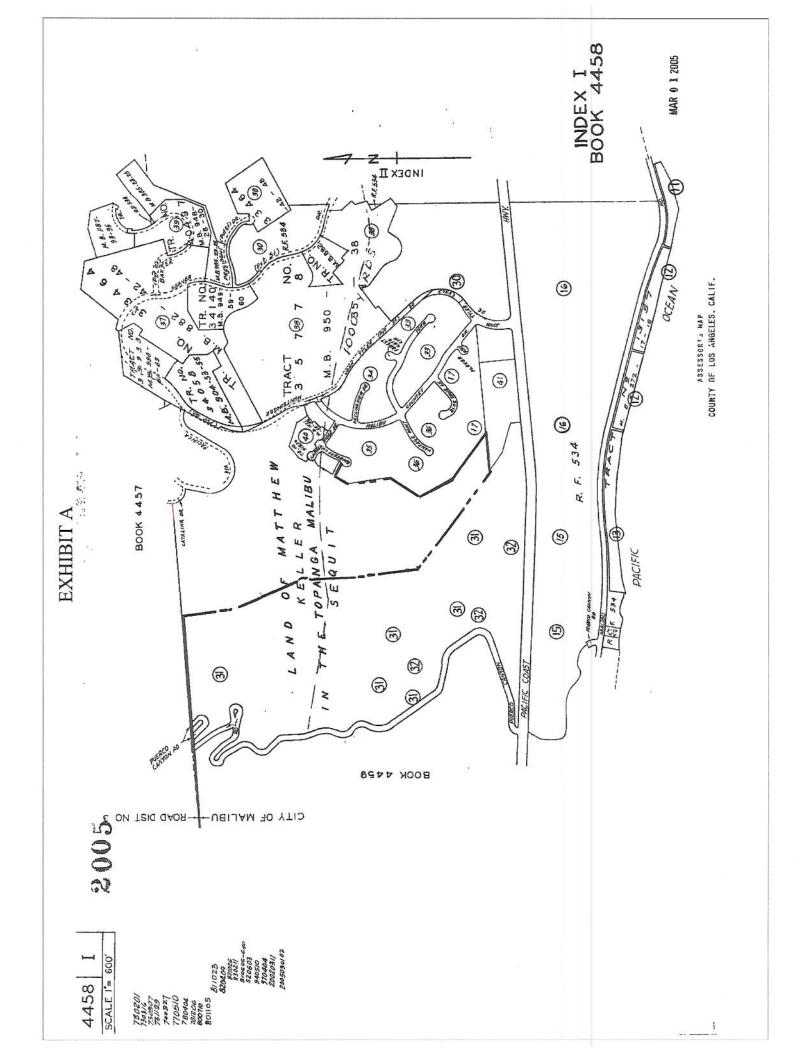
Counsel for OWNER

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

1.4

JUN 7 2011

SECRETARY



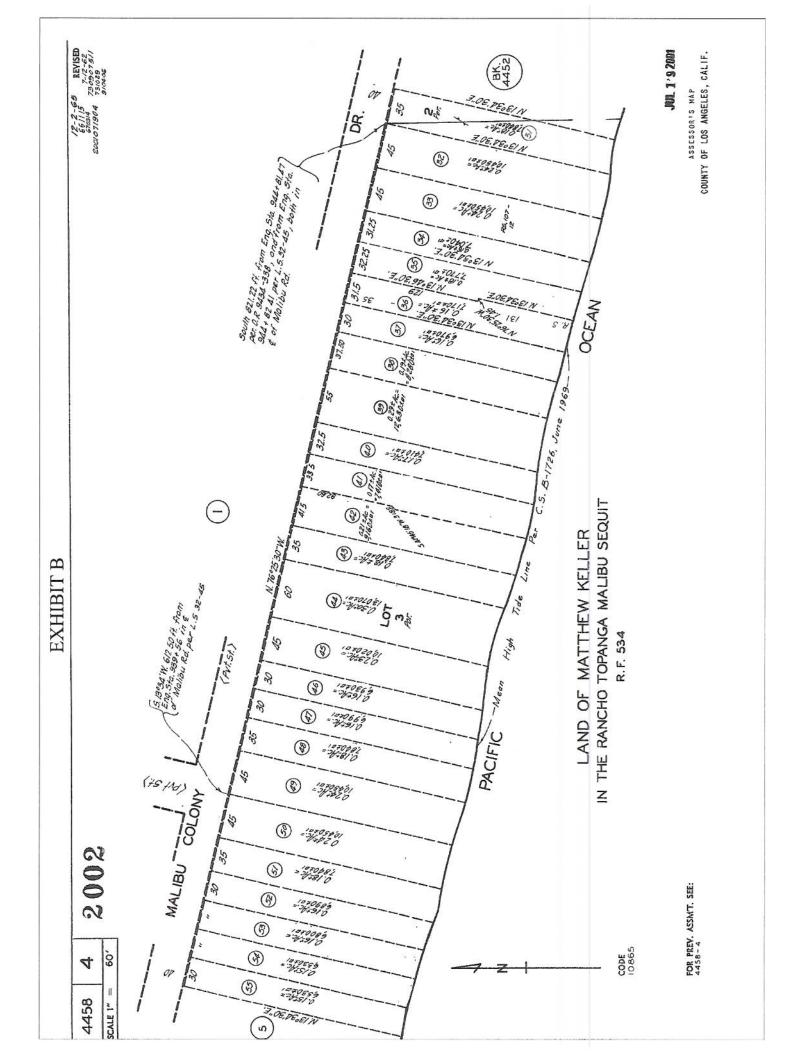


EXHIBIT C "CONDITIONAL WILL-SERVE LETTER" FOR SUBDIVISIONS

Wate 900 S	ety of Los Angeles er Ordinance Unit S. Fremont Ave., 4th Fl. mbra, CA. 91803-1331	City of Ma 23815 Stu Malibu, C	art Ranch Road	
LOS ANGELI	ES COUNTY WATERWORKS	DISTRICT NO. 29 , N	lalibu	
STATEMENT	OF WATER SERVICE FOR	SUBDIVISION WATER	SYSTEM	
PARCEL MA	P NO	•		NO. OF LOTS
INQUIRY NO	SPECIFI	CATION NO	AVG WAT	ER USE AC-FT/YR
provide v Fire Chi	water service to the developme	ent that meets the requir t* and the Rules and Re	ements of the County/City egulations of the District.	by the District, can adequately y Engineer and the County/City The developer has paid or will
complet	general and a complete and a continuous contraction of the contraction	eloper, at the develope	r's expense, meet the re	ment that will, upon satisfactory equirements of the County/City and Regulations of the District.
requiren set*. As expense this deve	nents of the County/City Engines a condition of receiving water and pay the District's applicab	eer and the County/City r service from the Districtle le charges and fees. It is ity for the installation of a	Fire Chief, which at this to ct, the developer will have s understood that the deve	e this development to meet the time have not been specifically e to install such facilities at his eloper, by recording the map for system facilities and payment of
his expe	nse. The developer has execu	ted a statement agreeing	to the District not providir	eeded water system facilities at ng permanent water service until n paid or are offset by applicable
design a	and construction of approximate	ely 5,000 feet of 12-inch ank. Failure of the prop	water main, pump station erty owner to comply with	g to participate financially in the upgrades, a regulating station, all terms of the Agreement will er service.
	ctory completion of constructi District for ownership before th			necessary right of way to the the development.
expiration d withdraws it * Under the review of installed a ** If the Dev	ate, the District's obligation is commitment to serve this less county/City Fire Code (Section the plans submitted for building at the developer's expense.	r to provide water ser Project.** in 13.301) additional fire g permit(s) that may resur- services within 24 month	protection requirements many of the additional water systems of the from the date the District	terminated and the District hay be set by the Fire Chief upon em facilities being required to be et Engineer signs below, then the
cc: Develop	er:		For the District:	
			Signature	Date
	Signature	Date	Los Angeles Coun	ty Waterworks Districts
			900 South Fremon	nt Avenue
Developer's	7		Alhambra, CA 918	03-1331
The second second			(000) 000 0000	

State of California	l
County of LOS Angele	<u>25</u>
On 3-11-11 before me.	Zoe A. Lawieng, notary put. 10riz Here Insert Name and Title of the Officer
Date Nega I f	Here Insert Name and Title of the Officer
personally appeared	Name(s) of Signer(s)
ZOE A. LAWRENCE Commission # 1870817 Notary Public - California Los Angeles County My Comm. Expires Nov 9, 2013	who proved to me on the basis of satisfactor evidence to be the person(s) whose name(s) is a subscribed to the within instrument and acknowledge to me that he she/they executed the same in this her/their authorized capacity(iee), and that be first her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
	I certify under PENALTY OF PERJURY under th laws of the State of California that the foregoin paragraph is true and correct.
	WITNESS my hand and official seal. Signature:
Place Notary Seal Above	OPTIONAL Signature of Notary Public
Though the information below is not require and could prevent fraudulent ret	ed by law, it may prove valuable to persons relying on the document moval and reattachment of this form to another document.
Description of Attached Document	
Title or Type of Document:	
Document Date:	Number of Pages:
Signer(s) Other Than Named Above:	
Capacity(ies) Claimed by Signer(s)	
Signer's Name:	Signer's Name:
☐ Corporate Officer — Title(s):	
OF S	HUMBPRINT Individual RIGHT THUMBPRING OF SIGNER
	humb here Partner — Limited General Top of thumb here
Attorney in Fact	☐ Attorney in Fact
Trustee	☐ Trustee
☐ Guardian or Conservator	☐ Guardian or Conservator
Other:	☐ Other:
	Signer Is Representing:
Signer Is Representing:	